

Commonwealth of Virginia
Department of Human Resource Management
Financial Processor
RFP # CVC18-01

Addendum # 1
March 20, 2017

Please sign this form and include as a part of your submission.

X_____

This addendum addresses all questions received through Thursday, March 16, 2017.

NOTE: Please remove bullet point #9 “establish and operate a public facing online charity application system with conditional requirements from previous year data.” from Section 1.0 Purpose

- 1 - With regards to the written proposal submissions what is redacted? Should I remove my address, do you want like an anonymous proposal copy? Are you using this copy for review?

One redacted copy is requested in the event the proposals are requested under the FOIA act. The redacted copy should redact (black out) any personal information or proprietary systems information.

- 2 - When do you actually want the solutions built, when you talk about the time?

We want to start September 1.

- 3 - You have about 4 million dollars you get each year but a lot of it is through direct giving that goes directly to the charity that won't go through this system, is that correct?

We receive 700K to 850k in direct gifts but this number is very fluid.

- 4 - What amount would actually be going through this system?

At this time we add the direct giving to the other sources of gifts manually. Although not requested in the RFP, including it in one system in the future could be helpful. Between 2.5MM and 3.5MM would go through the processor's system. See answer in #12 for related information.

- 5 - Is it possible since I would be building the system would be doing the credit card processing, could I just take 3% off the amount I give you and not bill through eVA?

Billing and transfers of monies are under the policies of the Department of Accounts, and eVA as well as other controls. This would be an item for negotiation if you are selected as a finalist.

- 6 - Is there any way we can do a percentage, can I propose in the pricing 3% of your total or do I have to charge you a fixed fee?

You may charge a fixed fee that you would build into your cost proposal. Your proposal should consider one or more pricing strategies for our consideration.

- 7 - Would there be a fixed price for running the system and then I could bill you for the actual expense of the credit card fee for those transactions?

Your proposal should consider one or more pricing strategies for our consideration.

- 8 - Are payroll deductions easier than credit card transactions and does it cost you anything to do payroll deductions?

Our payroll officers routinely process employee's payroll deductions for over a dozen reasons. Since the campaign is run annually and payroll deductions come from 24 pay periods in a calendar year, the payroll people enter the deductions for each employee using either the paper pledge card or the electronic file(s) from online giving. There is no incremental cost to the campaign for processing payroll deductions for CVC.

- 9 - Would I just get the information for payroll deductions and then send you a file and you would setup that with another agency to process those deductions and I wouldn't have to do anything else with that information?

You would receive payroll deduction gifts just as you receive credit card. Cash, and check gifts – through the paper pledge card or (in the case of payroll and credit card gifts) an electronic file. The processor would enter into a data base such information as the donor name, address, agency for which they work; name and number of charity designated to receive gifts, and the amount to be donated annually over the 12 months. The amount a charity received is based on this ANNUAL GIFT. Please refer to the database structures listed in the original RFP. Your company would be responsible for the distribution of monthly checks to the charities based on pledges.

- 10 - Is there a legal reason that payroll deductions are done or is it just the way have done it in the past rather than credit card transactions?

Most state (and community) workplace giving campaigns rely on payroll deduction gifts because it is easy for both the donor and the charities. For the donor it is one piece of paper to document their charitable giving for tax purposes and they give more when it is divided by 24/26 pay periods. For the charities, they count on these as a reasonably source of income.

- 11 - Who would pay the charge card fee? Could that be taken from the donation or would the agency pay that fee?

CVC does not deduct operational fees from designated gifts. The charities get 100% of the donor's gift. The processing of fees for credit card processing would be worked out in pre-award negotiations.

- 12 - What is the estimated number of paper pledge and electronic pledges yearly?

3,525 electronic unique donors* (26%) 10,095 paper unique donors* (76%)
13,320 Total donors excluding Direct Gifts, Gifts of stock, special event gifts

*Since a donor can give more than once and to more than one charity, we chart "unique donors" for statistical reporting.

- 13 - Did you have a contract for this last year, if so can I take a look at the contract or can it be posted on eVA?

Yes, DHRM did have a contract last year. FOIA request must be made directly by the vendor to the Fiscal Department, Department of Human Resource Management, 101 N. 14th Street, Richmond VA 23219

- 14 - How did the prior vendor charge you?

See answer in #13.

- 15 - Why are you selecting a new vendor, were they not effective?

We are continuously working toward more efficient and effective methods for processing gifts from employees and disbursing gifts to charities while keeping costs to a minimum.

- 16 - Do you already have a website that the charities sign up, if so do you want to replace it?

Yes, we have a system in place and do not wish to replace it at this time.

- 17 - Do you currently have the accounts setup already, if so what bank are you using?

Yes, currently there are two accounts, one with Bank of America and one with Suntrust. We would replace these with new accounts as part of our transition process.

- 18 - If we process the charge card transactions would we put that money into those accounts and you would maintain the accounts?

Yes. Most credit card services allow you to direct money from credit card transactions to a specific bank account.

19 - Would the processor send the money to the charity out of your bank account, is that your normal process?

Yes.

20 - How would the difference between the donation and the processing fee be taken care of?

See the answer in #11, above.

21 - What months of the year do most of the transactions take place? Would I have to front that transaction fee and you would pay that back to me?

The payment of any processing fees would be worked out in pre-award negotiations.

22 - What would be the billing frequency? Would you want monthly?

The payment of any processing fees would be worked out in pre-award negotiations.

23 - What is the average amount or range usually per donations?

From \$1 per pledge gift to \$10,000 per gift. Average is about \$175/donor.

24 - Would you like online access to our database to download the table?

We will require access to all of the databases described in the RFP for queries, reporting, and data analysis.

25 - If I gave you a webpage from which you could make any report you wanted to would you still need weekly or monthly report then?

Sometimes we have a query related to just one donor record and sometimes it is an analysis of year over year giving by employees, state agencies, and to charities.

26 - Would all the data be subject to FOIA?

Yes.

27 - Would I have to go through a security review through VITA?

Yes.

28 - One of the desirables on page 2 is to provide charity lists and data, based on charity application system but you don't want to replace the current one now?

Please strike this from the RFP we do not wish to replace the current database system at this time.

- 29 - As far as getting the historical data, there are 3 years of data that goes into the system, what format is that data in?

Data would be provided in Excel format.

- 30 - Can only state employees participate? If so do you exclude the credit card option for them?

Only state employees and retirees can give using a credit card. All employees, including contractors are welcome to participate in the campaign. In most agencies, hourly and part-time employees may not be able to give using payroll deductions.

- 31 - As far as the agency organizer level portal for uploading documents, that is also desirable?

The agency organizer/coordinator would be able to upload batch transmittal sheets and other documents.

- 32 - If I build the system before I submit my proposal would you pay me for the product? Can I bill you for the system I already built?

We are looking for a custom system. It is up to each vendor responding to the RFP to determine the owner of the system, and how it would be paid. This, too, would be negotiated before the final awarding of the contract.

- 33 - How many CVC users do you see using the system and how many administrative or coordinators?

CVC Staff/administrators – not more than 5 or 6. Agency Coordinators – not more than 1 per each of 2-3 agencies.

- 35 - Is it important to have the paper pledge cards, can I make a webpage to have the coordinators can type it in? The employee could still have the pledge card but the agency coordinator could type it in.

We would not want to add additional work for the agency coordinators and this could be a burden and limit the confidentiality of a donor's gift. The employees who do not have access to a computer may not be best served by having someone do this for them. Almost all employees have access to the web-based online giving system.

- 36 - Do you need the signed paper pledge for your records?

Yes. The Library of Virginia records retention policy for these documents are three (3) years. They may be stored in a secure storage center or archived/scanned by electronic means. After the three years is complete, the processor works with DHRM to arrange for approved destruction processes.

Responses supplied by
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